



CITY OF HOUSTON

Administration and Regulatory Affairs Department
Strategic Purchasing Division

Bill White
Mayor

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February 4, 2009

SUBJECT: Letter of Clarification No. 4
Heavy Duty Front-End Truck Repair Services for Various Departments

REFERENCE: Invitation to Bid No.: S23-L23033

TO: All Prospective Bidders

This Letter of Clarification is issued for the following reasons:

- **To revise the above referenced solicitation as follows:**

1. The formal bid opening date for the subject Solicitation has been extended from **February 5, 2009 to 10:30 a.m. February 12, 2009.**
2. Please remove pages 5 of 36 through 11 of 36 and replace with the attached pages 5 of 36 through 11 of 36 marked revised 2/03/2009.

Note: Due to the changes that were made, this will invalidate Vendor's bid. You must verify the bid form for changes and re-submit your bid.

When issued, Letters of Clarification shall automatically become a part of the bid documents and shall supersede any previous specification and/or provision in conflict with the Letter of Clarification. It is the responsibility of the bidders to ensure that it has obtained all such letters. By submitting a bid on this project, bidders shall be deemed to have received all Letters of Clarification and to have incorporated them into this bid.

If you have any questions or if further clarification is needed regarding this solicitation, please contact me at 832-393-8728.

Sincerely,

Roy Breaux
Procurement Specialist
832-393-8728

ATTACHED: PAGE 5 OF 34 THROUGH 11 OF 36 REVISED 2/3/2009

Partnering to better serve Houston

SECTION B

SCOPE OF WORK/SPECIFICATIONS

1.0 Scope of Services

- 1.1 The Contractor shall furnish all supervision, labor, tools, parts (when mutually agreed) and facilities to repair medium and heavy-duty vehicles, which includes Fire Department apparatus and other equipment. Performance for any services described herein shall be initiated upon acceptance by the Contractor of an authorized Work Order, Change Order or Letter of Authorization issued on behalf of the user department.
- 1.2 The Contractor shall be required to inspect the vehicle and submit work estimates. The Contractor will not be allowed to repair the vehicle without prior approval of work estimate. The Contractor's work estimate must separate cost of repairs and parts covered under the contract from items not covered under the contract. Costs not covered under the contract will require a "change order" prior to starting the repair.

2.0 Basic Services

- 2.1 The Contractor shall make all repairs to medium and heavy duty apparatus and other equipment/parts as necessary to return the vehicle to like new condition.

3.0 Requirements (Fire Department) (Deleted in its entirety)

- 3.1 IS DELETED IN ITS ENTIRETY

4.0 Requirements (All Departments)

- 4.1 Subcontracting any portion of this contract shall require approval of the City.

5.0 Repair Technicians

Contractor shall actively participate in ASE (Automotive Service Excellence) Certification Programs in the area of medium and heavy-duty brakes, suspension and steering.

6.0 Replacement Parts

- 6.1 All of the Price Lists mentioned are Associated Parts Lists. Any additional price lists, as may be required must be OEM Parts used in the repair of Fire Apparatus.
- 6.2 The Contractor shall have a sufficient inventory of parts on hand at their facility to repair City vehicles and Fire Apparatus within the specified delivery requirements of the contract.
- 6.3 Repairs to include replacement of all suspension parts: parts to include: springs (Grommets, U and Tie Bolts) shocks, shock mounts, spring mount to include air bags, when applicable. Also steering linkages, seals, bearings U-joints, hubs, brakes and axle parts. Alignment of front ends and rear axle (toe in/toe out, caster camber). Frame straightening and welding of any parts in order to bring the frame within OEM tolerances.

7.0 Damage Repair/Work Estimate

- 7.1 For each vehicle to be repaired, the Contractor shall provide the user department with an estimate of the repair needed to be done to the apparatus with three (3) working days from inspection of damaged vehicle. The written estimate shall include the repair labor hours and materials cost dollars. The Contractor's estimate/proposal must be a detailed legible description of parts and labor charges. In order to determine the total repair estimate/proposal amount, the Contractor shall apply the labor rate bid to the estimated labor hours and add the materials cost. If the Contractor's estimate is determined to be reasonable by the user department, the Contractor shall be given a written authorization to proceed with the repairs by the user department. Any additional work beyond the original proposed amount shall not be performed without prior written approval of the user department. If the additional work is authorized, the user department will provide a supplemental work order or letter of authorization to the Contractor.

8.0 PRICE ADJUSTMENT:

- 8.1 The price percentage adjustment bid shall remain firm during the full term of the award. Price adjustments will be determined from the plus or minus percentage applied to the manufacturer's published price list lowest unit price column as originally bid.
- 8.2 The price list(s) submitted with this bid will be in effect from the date bids are received and opened by the City Secretary. A price list substitution may be made any time after award by City Council. This substitution will be the updated version of the price list submitted with the bid. A letter from the manufacturer stating the new price list submitted is the replacement for the one submitted with your bid must accompany the request. This letter must also state when (date) the new price list was distributed to its distributors/suppliers. **The new price list will not be accepted as a price list substitute if it was distributed and/or in the possession of the Bidder(s) before the bid due date.** A request to substitute the price list(s) with revised price list(s) will be allowed subject to the City Purchasing Agent's approval. Substitute price list(s) may only be later revisions to the original price list(s) bid. Acceptance of any revised price list(s) will be considered after the Supplier submits the following to the City Purchasing Agent; Strategic Purchasing Division; P.O. Box 1562; Houston, Texas 77251:
- 8.2.1 A letter clearly stating **PRICE ADJUSTMENT REQUEST AND NAME AND NUMBER OF THE INVITATION TO BID** in the contents and on the outside of the envelope;
- 8.2.2 Itemized revised price list indicating effective date; and
- 8.2.3 Multiple copies of the revised manufacturer's price list(s) for distribution to participating City departments.
- 8.3 **Price list substitution(s) shall become effective only upon the Supplier's receipt of express written consent from the City Purchasing Agent or his designee. No price increase shall be effective until such written consent is received.** If the Supplier submits a request for price list(s) substitution in accordance with the above revisions and the City Purchasing Agent fails to approve such request, the Supplier may terminate its performance upon 60-days advance notification in writing to the City Purchasing Agent. This will be the Supplier's only remedy in the event a price adjustment is not approved. The effective date of the price list(s) change shall be no earlier than 30-days following receipt of written request by the City unless otherwise stated in the approval letter from the City Purchasing Agent or his designee. **No retroactive price changes will be honored for delinquent requests.** The price in effect on the date of issue of the purchase order establishes the price to be paid.

- 8.4 The City of Houston, through its City Purchasing Agent, reserves the right to obtain a different source(s) to meet the requirements for any item(s) which has increased in price if said item(s) may be obtained at lower price and if it is deemed in the best interest of the City to do so.

10.0 PRICE LISTS:

10.1 Internet-Based Catalog/Price List

10.1.1 It is the City's desire that all price lists be provided electronically; therefore, if the Supplier is submitting a bid on any price list item as an **INTERNET-BASED CATALOG**, it is mandatory that pricing is in a secure format, available to the City of Houston in an **INTRANET** fashion. No custom software should be required to access the electronic catalog. The Supplier shall provide the ability for unlimited amount of users to order via on-line communication with the Supplier's computer system by the City of Houston's PC terminals, printers, fax, or telephone. The Supplier shall also provide the capability to conduct orders using the City of Houston Charge Card.

10.1.2 Supplier shall provide initial and on-going training and the set-up of PC's for City of Houston end-users.

10.1.3 Supplier's electronic catalog should include the following features:

10.1.3.1 Support open technology and standards such as Open-Buying on the Internet

10.1.3.2 Flexible and robust product search methods

10.1.3.3 Account and user profile control including dollar limit processing

10.1.3.4 On-line ordering using a shopping cart utility

10.1.3.5 On-line order/usage history reporting

10.1.3.6 Notification of price changes in accordance with City of Houston terms and conditions

10.1.3.7 Help functions

10.1.3.8 Order processing using the City's Procurement Card

10.2 The Supplier shall furnish price lists to the Pricing Section of the Strategic Purchasing Division for distribution to all ordering departments, divisions and sections of the City of Houston requiring these items. Within ten (10) working days from written notification of award by the City Purchasing Agent, the Supplier shall furnish to the Pricing Section of the Strategic Purchasing Division, the number of required copies of its price list(s) bid for use by City Departments. Failure to timely furnish such price lists may result in rescinding the award. Each time a Supplier submits a revised price list it shall furnish the number of revised price list(s) required to the Pricing Section within ten working (10) days of such revision. Failure to do so may result in rescinding the award. **THESE PRICE LIST(S) SHALL BE FURNISHED AT NO COST TO THE CITY OF HOUSTON.**

10.3 Original, unaltered, manufacturers' price lists and revisions are requested. If all originals cannot be obtained, at least one (1) original plus photocopies of the original price list may be furnished provided each photocopy is certified as a true and accurate unaltered reproduction of the original. Each reproduced price list must have a notarized signature of authority that is certifying on the face thereof that the copy is a true and accurate unaltered reproduction of the original. Although copies may be accepted, **IT IS A MANDATORY REQUIREMENT TO SUBMIT AT LEAST ONE (1) ORIGINAL PRICE LIST OR ACCESS TO THE MANUFACTURER'S INTERNET BASED CATALOG IN ORDER FOR YOUR BID TO BE CONSIDERED FOR AWARD RECOMMENDATION.**

10.4 A MINIMUM OF SIX (6) PRICE LISTS WILL BE REQUIRED FOR EACH ITEM AWARDED FROM THE SUCCESSFUL SUPPLIER(S) PRIOR TO AWARD. **THIS IS ONLY A MINIMUM REQUIREMENT OF THE NUMBER OF PRICE LISTS AND IS SUBJECT TO INCREASE ACCORDING TO THE REQUIREMENTS OF THE DEPARTMENT(S).** THE SAME OR LIKE QUANTITIES WILL BE REQUIRED FOR SUBMITTAL OF REVISED PRICE LISTS.

10.5 Price lists furnished for these items shall include but shall not be limited to OEM descriptive catalogs and/or supplemental publications that clearly define each part number cost. Electronic media versions are preferred.

10.6 **THE CITY OF HOUSTON RESERVES THE RIGHT TO DUPLICATE THE PRICE LISTS AWARDED FOR DISSEMINATING TO THE DEPARTMENT(S).**

11.0 ADDENDA TO PRICE LIST:

11.1 If addenda containing new parts not listed in the price list(s) submitted with the original bid are received by the Supplier from the manufacturer, the Supplier may submit the addendums having new items identified by part number reference and highlighted in addenda price lists for easy identification to the City Purchasing Agent for consideration. The City Purchasing Agent will allow addenda only upon written acceptance and only new items may be added. No item(s) presently listed in the Price List(s) will be considered from these addenda. All such addenda shall be subject to the requirements of Section 252.048 entitled "Change Orders" of the Texas Local Government Code.

12.0 Storage of Apparatus

12.1 The Contractor shall have a secure and fully lighted facility and area to protect City vehicles and equipment from theft and vandalism. All repair bays must be fully enclosed in a building in order to protect City vehicles and equipment from the elements and debris. Vehicles shall be locked at all times when not being serviced. The Contractor shall be responsible for replacing missing equipment from the vehicles.

13.0 Completion of Repairs

13.1 The Contractor shall complete all repairs within five (5) business days after approval of work estimate and within 48 hours after approval in case of an emergency. An emergency exists when the Mayor of the City of Houston declares a State of Emergency and/or when the Houston Fire Department's Reserve Fleet is reduced below the standards required by ISO (ISO rating schedule #520 and 550).

NOTE: FIRE DEPARTMENT APPARATUS SHALL HAVE PRIORITY OVER ALL "OTHER" VEHICLES.

14.0 Notice of Vehicle Completion

14.1 The Contractor shall notify the user department one (1) business day in advance of vehicle repair completion.

15.0 Vehicle Acceptance

- 15.1 The apparatus repairs will be inspected at the time the vehicle is delivered to the user department for workmanship, appearance, proper functioning of all equipment and systems, and conformance to all other requirements of this specification. In the event deficiencies are detected, the vehicle(s) will be rejected to make the necessary repairs, adjustments, or replacements. It shall be the Contractor's responsibility to make the necessary corrections and resubmit the vehicle(s) for re-inspection and acceptance. Payment will not be made until the corrective action is completed and the vehicle(s) is/are re-inspected and accepted.

16.0 Examination of Cost Sheets

- 16.1 The Director of the user department or its designated representative reserves the right to examine the Contractor's parts/material cost invoices upon request.

17.0 Labor Rate Escalation Clause

- 17.1 No Labor Rate increases shall be allowed during the life of the contract. Therefore, the labor rates offered for each contract year shall be firm for the life of the contract.

18.0 Warranty/Guarantee

- 18.1 The Contractor shall be authorized by the manufacturer of the vehicle, in writing, to perform repairs on vehicles that are under warranty.
- 18.2 The Contractor shall provide a one-year written warranty for each repaired vehicle. The warranty period shall commence at the time of final vehicle acceptance by the City.
- 18.3 If, during the warranty period, any defect or faulty materials are found, the Contractor shall upon notification by the use department proceed at its own expense to replace and repair same, together with any damages to all finishes, fixtures, equipment and furnishings that may have been damaged as a result of this defective equipment or workmanship. This warranty work must be completed within five (5) business days after receipt of unit.

19.0 Damaged Parts

- 19.1 The Contractor shall keep all damaged parts in its possession for at least (30) calendar days after acceptance of the apparatus. The City will not pay for any parts that are not made available upon request.

20.0 Vehicle Status Report

- 20.1 The Contractor shall fax a status report to each user department of all vehicles in its possession twice weekly. The report shall be submitted no later than 1:00 p.m. on Wednesday and Friday.

21.0 Alignments

- 21.1 The Contractor shall perform all alignments.

22.0 Liquidated Damages

- 22.1 The parties acknowledge that the Contractor's failure to deliver apparatus repair work on the requested date constitutes a breach of the original agreement and will cause damages to the City and that actual damages from such harm are difficult to estimate accurately. Therefore, the Contractor shall be liable for and shall pay to the City the sum of \$125.00 per day for medium, heavy duty vehicles and ambulances for failure to deliver the vehicle within the prescribed five (5) business days after approval of work estimate or within 48 hours after approval in case of an emergency.
- 22.2 Should delivery of the vehicle submitted for repair exceed seven (7) days from the original date agree upon, the City has the option to direct the Contractor to stop work and the user department will have the option of retrieving the vehicle and contacting another vendor to service the vehicle.

23.0 Invoicing

- 23.1 Invoices shall be submitted as follows:

The Contractor shall submit for payment in triplicate (one original and two copies) invoices that are on Contractor's company stationary with original signed by an authorized agent of the company. The invoice number shall not be duplicated during the contract period. Each invoice shall detail the following information:

- A. City contract number and work order number.
- B. Address of facility address where services were performed.
- C. Beginning and ending date of service.
- D. Detailed description of service rendered.
- E. Itemized listing of new equipment, parts/part numbers, materials or components installed or repaired. If equipment and/or parts are reconditioned, the cost to recondition parts must be listed.
- F. Itemized labor hours and rates based on classification under Exhibit "G"
- G. Subtotal costs for parts and labor listed separately.
- H. Total invoice cost.
- I. A copy of the following will be attached to the invoice:
 - 1. The detailed job estimate with approval signature of the user department's authorized representative authorizing commencement of work.
 - 2. Copy of "Completion of Work" report with required acceptance signature of the user department's representative.
- J. Invoices must be submitted with the applicable copies of the Contractor's daily work orders attached, which must have the approval signature of the user department's Director or its designated representative.
- K. Invoices submitted for services performed resulting from Extra Work/Services shall require copies of the user department's representative written request attached to the original and each of the two (2) invoice copies.

- L. Invoices shall reference Contractor's contact person for invoice irregularities.

24.0 Additions & Deletions:

24.1 The City, by written notice from the City Purchasing Agent to the Contractor, at any time during the term of this contract, may add or delete like or similar equipment, locations and/or services to the list of equipment, locations and/or services to be performed. Any such written notice shall take effect on the date stated in the notice from the City. Equipment, locations and/or services added will be subject to the contract services and charges or rates as an item already specified in the fee schedule. In the event the additional equipment, locations and/or service is not identical to any item already under contract, the charges therefore will then be the Contractor's normal and customary charges or rates for the equipment, locations and/or services classified in the fee schedule.

25.0 ESTIMATED QUANTITIES NOT GUARANTEED

25.1 The estimated quantities specified herein are not a guarantee of actual quantities, as the City does not guarantee any particular quantity of heavy duty front end truck repair services during the term of this contract. The quantities may vary depending upon the actual needs of the user Department. The quantities specified herein are good faith estimates of usage during the term of this contract. Therefore, the City shall not be liable for any contractual agreements/obligations the Contractor enters into based on the City purchasing/requiring all the quantities specified herein.

26.0 WARRANTY OF SERVICES

- a) *Definitions:* "Acceptance" as used in this clause, means the act of an authorized representative of the City by which the City assumes for itself, approval of specific services as partial or complete performance of the contract.

"Correction" as used in this clause, means the elimination of a defect.

- b) Notwithstanding inspection and acceptance by the City or any provision concerning the conclusiveness thereof, the Contractor warrants that all services performed under this contract will, at the time of acceptance, be free from defects in workmanship and conform to the requirements of this contract. The City shall give written notice of any defect or nonconformance to the Contractor within a one-year period from the date of acceptance by the City. This notice shall state either (1) that the Contractor shall correct or re-perform any defective or non-conforming services at no additional cost to the City, or (2) that the City does not require correction or re-performance.
- c) If the Contractor is required to correct or re-perform, it shall be at no cost to the City, and any services corrected or re-performed by the Contractor shall be subject to this clause to the same extent as work initially performed. If the Contractor fails or refuses to correct or re-perform, the City may, by contract or otherwise, correct or replace with similar services and charge to the Contractor the cost occasioned to the City thereby, or make an equitable adjustment in the contract price.
- d) If the City does not require correction or re-performance, the City shall make an equitable adjustment in the contract price.